

RUSSIAN TRADE REPRESENTATION IN STOCKHOLM

2016-11-24

BUSINESS CLIMATE SURVEY RUSSIA 2016

AGENDA

Current status

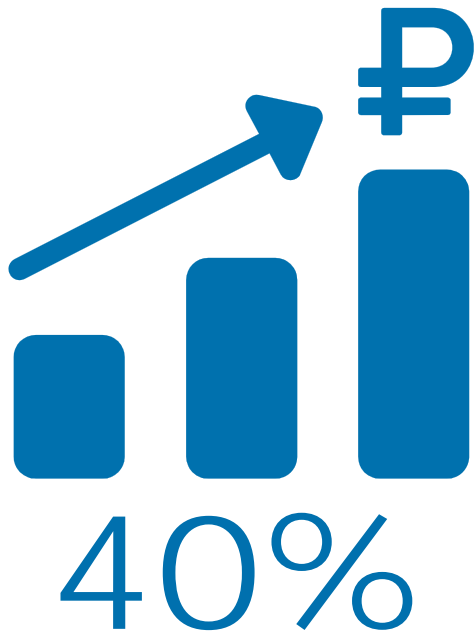
Regulatory environment

Future plans

Conclusions and recommendations



A CHALLENGING BUT NOT PITCH BLACK 2015

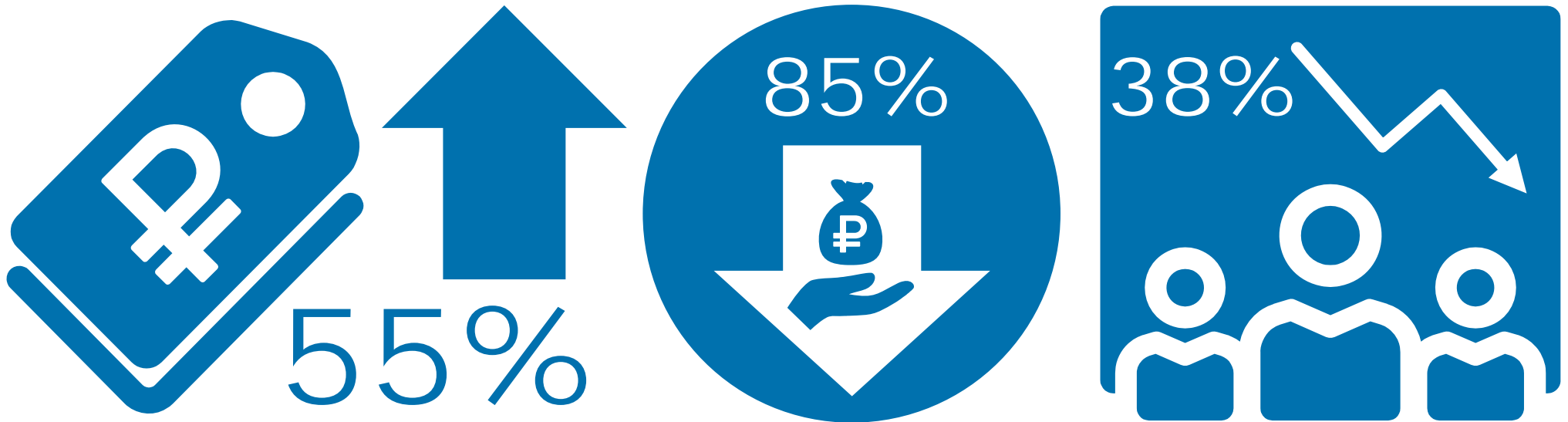


**SWEDISH COMPANIES PERFORM BETTER THAN COMPETITION,
BUT A WEAK RUBLE DECREASES PROFITABILITY**

SOURCE: BUSINESS SWEDEN ANALYSIS



HOW ARE THE COMPANIES DEALING WITH THE SOUR MARKET?

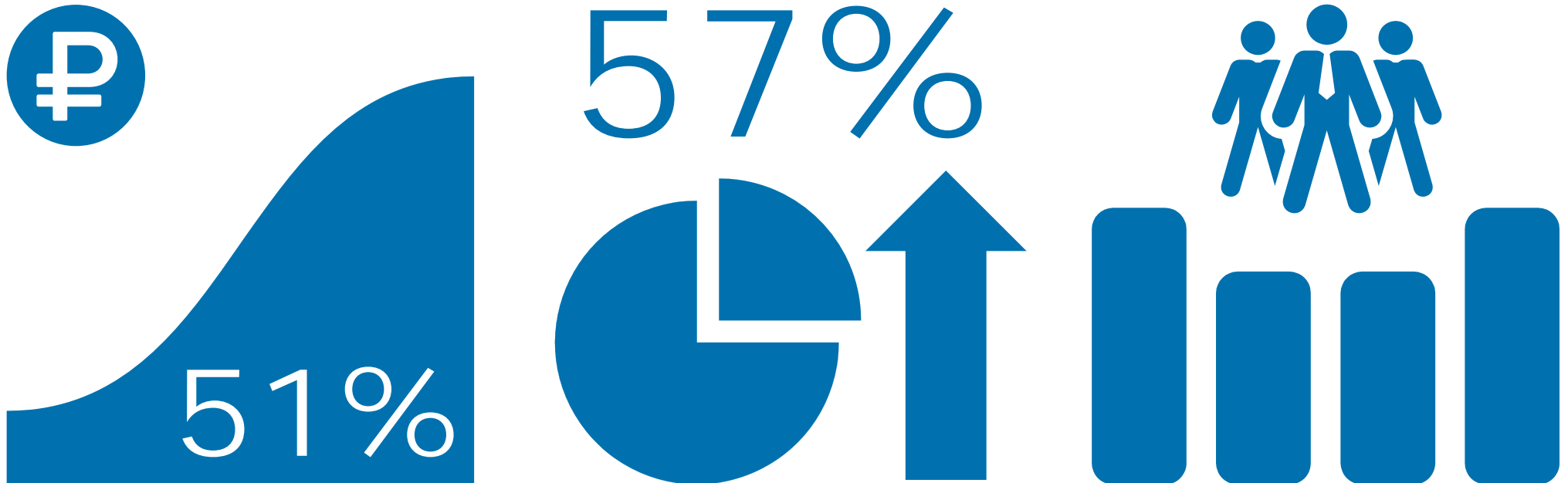


COMPANIES UNDERTAKE SIGNIFICANT ACTION ON TOP AND BOTTOM LINES TO COUNTER WEAK MARKET

SOURCE: BUSINESS SWEDEN ANALYSIS



KEY INDICATORS POINT AT RAISED EXPECTATIONS



NEGATIVE EFFECTS DECREASE IN MAGNITUDE AND ENABLE A BEGINNING OF A RETURN TOWARDS GROWTH

SOURCE: BUSINESS SWEDEN ANALYSIS

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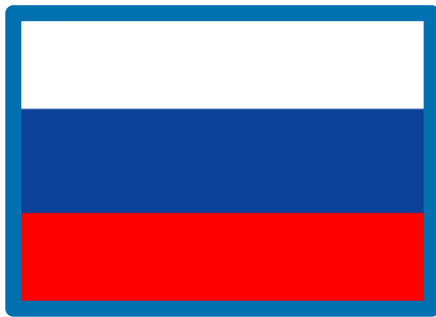
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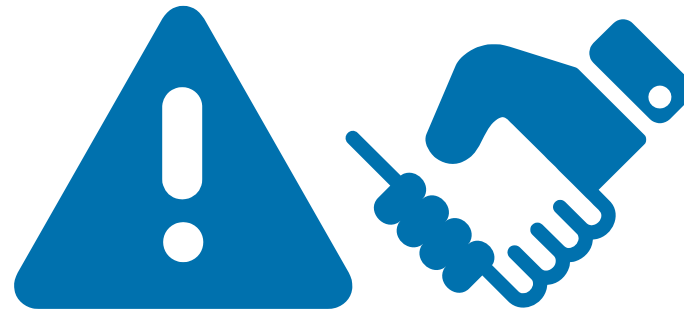


CORRUPTION CONTINUES TO BE A PROBLEM...

119th



2015



9%

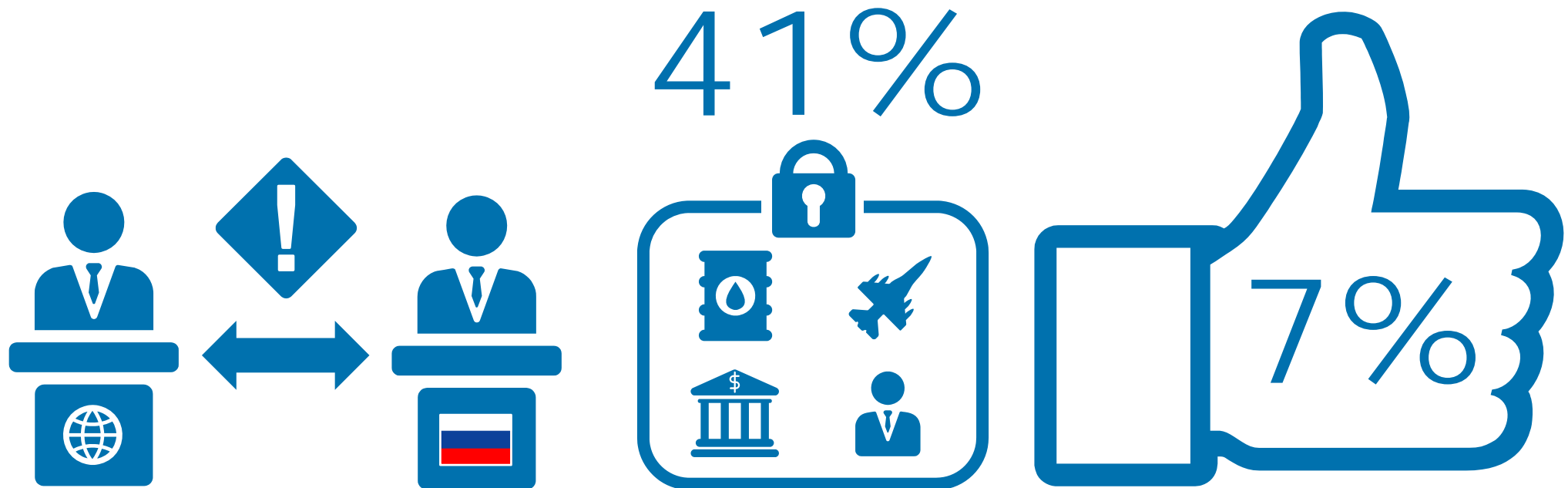


**RUSSIA HAS A LONG WAY TO GO BUT IS MOVING FORWARD
AND FUTURE EXPECTATIONS ARE ON IMPROVEMENT**

SOURCE: BUSINESS SWEDEN ANALYSIS, TRANSPARENCY INTERNATIONAL



POLITICAL TURBULENCE IS SHAPING THE RULES OF THE GAME

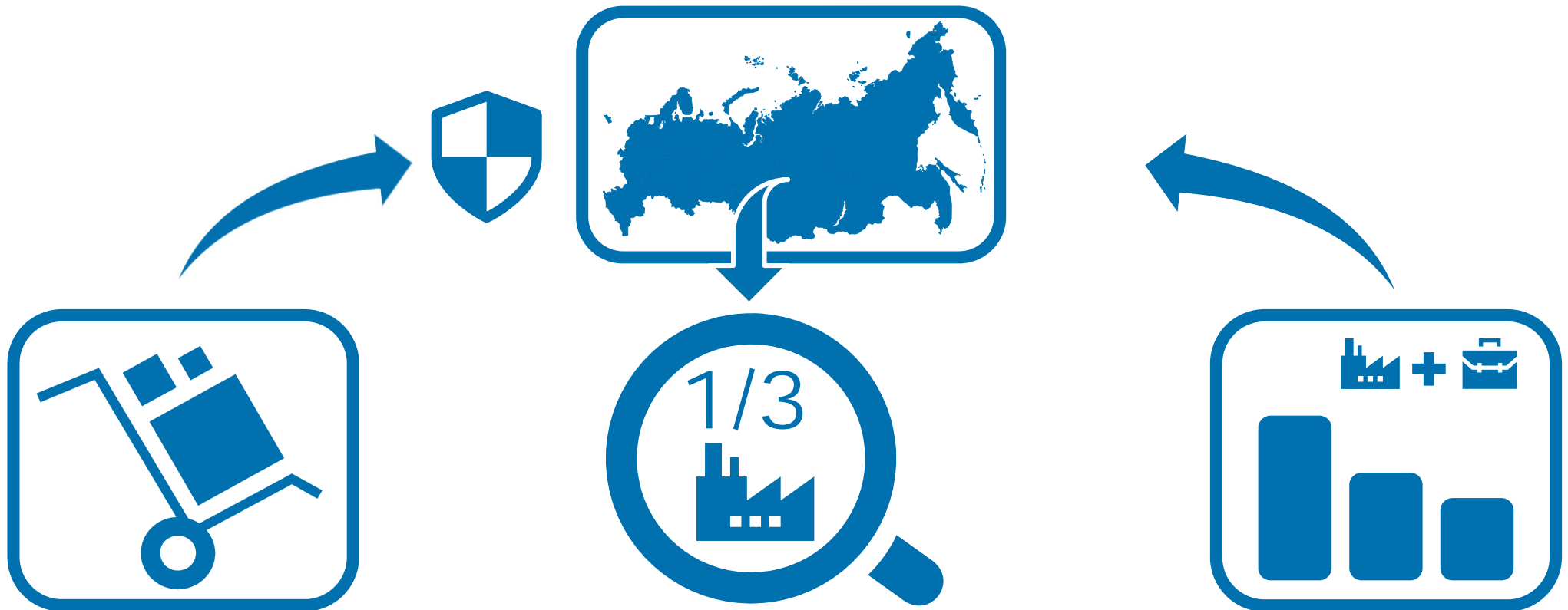


**BUSINESS IN RUSSIA IS EXPOSED TO POLITICAL RISK,
BUT THE EFFECTS ARE NOT ALWAYS NEGATIVE**

SOURCE: BUSINESS SWEDEN ANALYSIS, EU, USA, RUSSIAN MINISTRIES



LOCAL PRODUCTION AND IMPORT SUBSTITUTION INCREASE IN IMPORTANCE



**LOCALIZED PRODUCTION FOR MARKET ACCESS STRONGLY
ENCOURAGED. COMPLYING COMPANIES BENEFIT**

SOURCE: BUSINESS SWEDEN ANALYSIS, RUSSIAN MINISTRIES, TRADINGECONOMICS, FDI MARKETS

AGENDA

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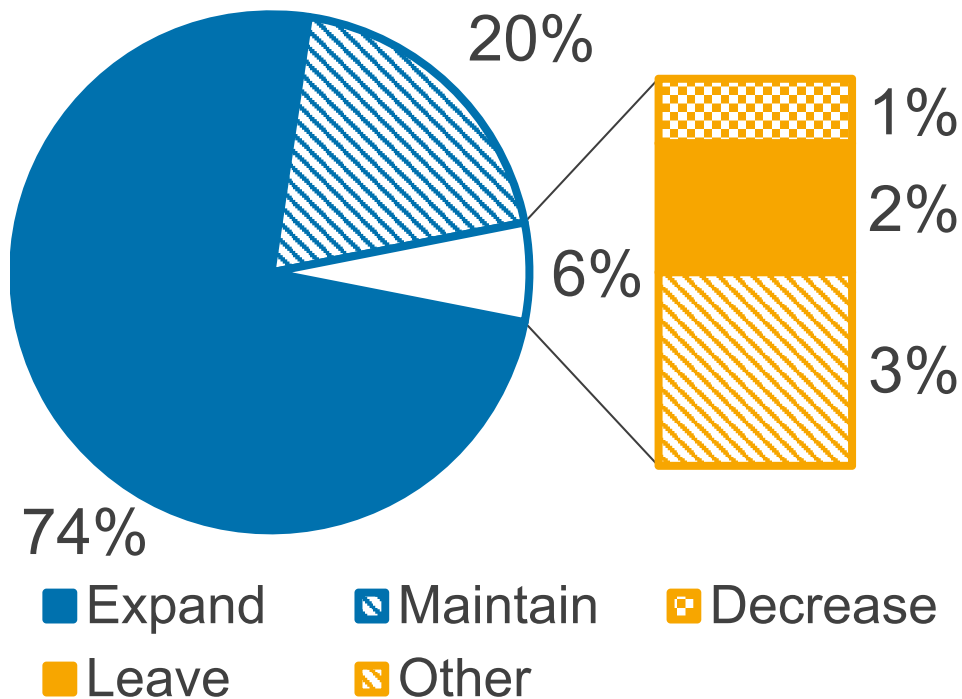
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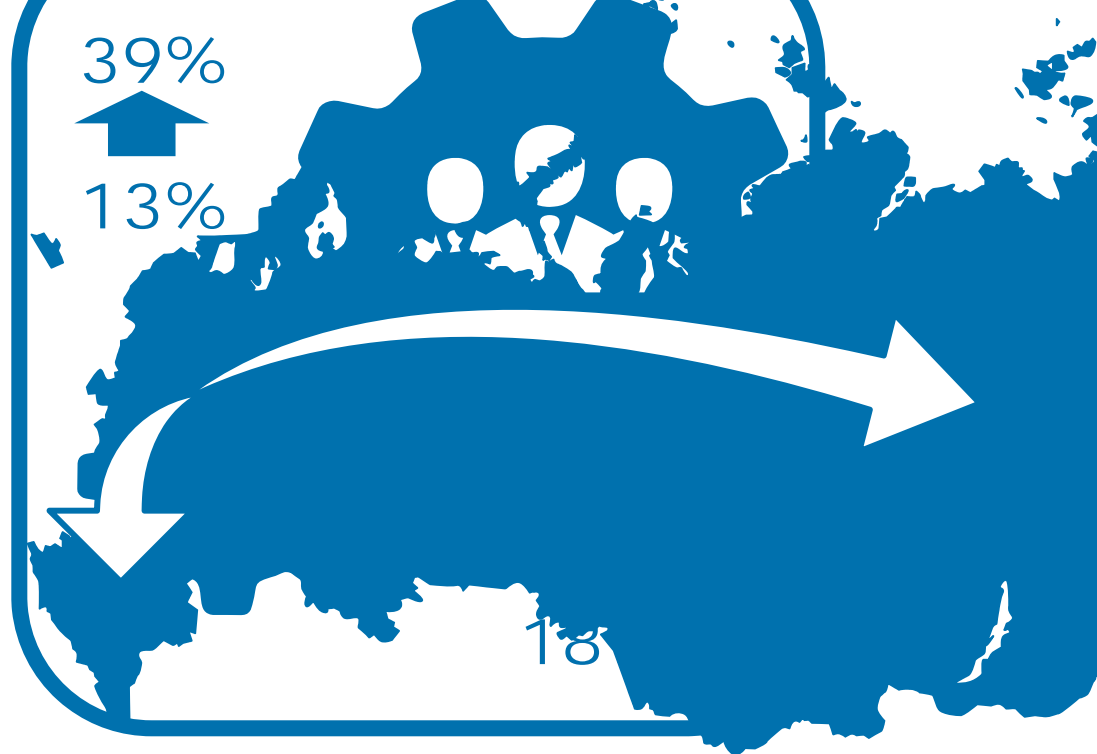
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SWEDISH COMPANIES ARE STAYING AND EXPANDING IN RUSSIA

LONG-TERM PLANS FOR THE RUSSIAN MARKET



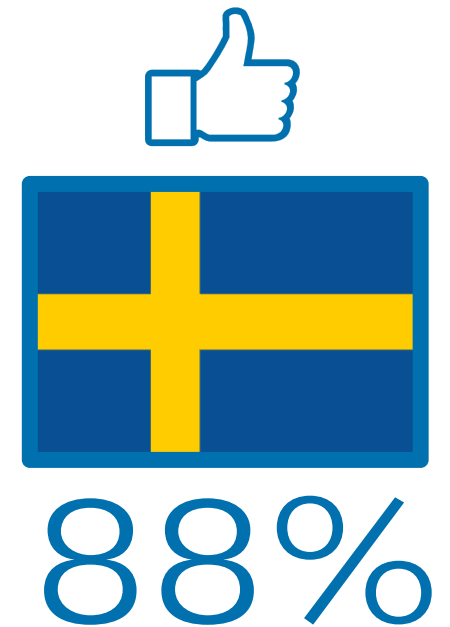
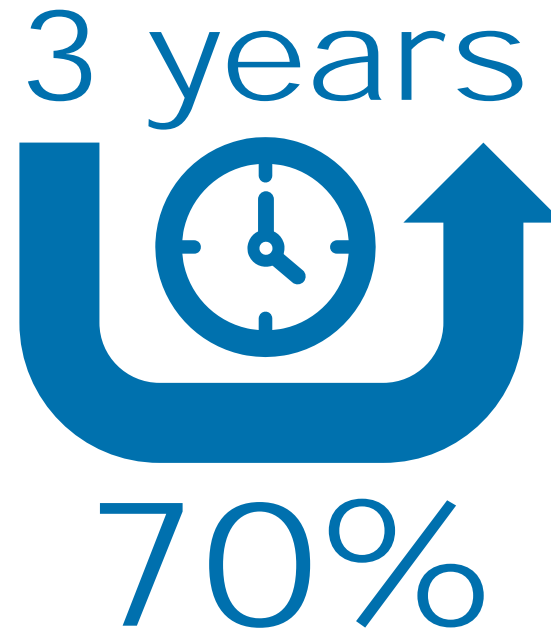
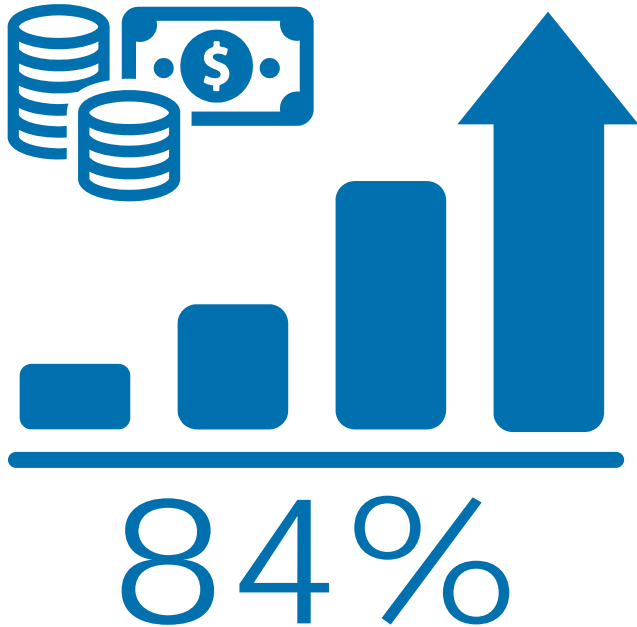
GEOGRAPHICAL FOOTPRINT SET TO INCREASE AFTER PULLBACKS



DESPITE THE TOUGH CURRENT MARKET, COMPANIES LOOK AHEAD, UTILIZING FREE RESOURCES



WHY STAY IN RUSSIA?



STRONG SWEDISH BRANDS CAN REAP PROFITS TODAY OR IN A NEAR FUTURE

SOURCE: BUSINESS SWEDEN ANALYSIS

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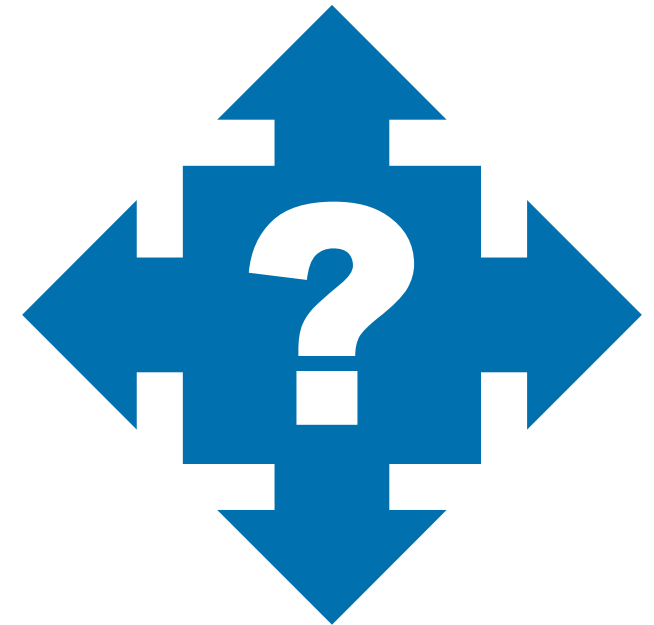
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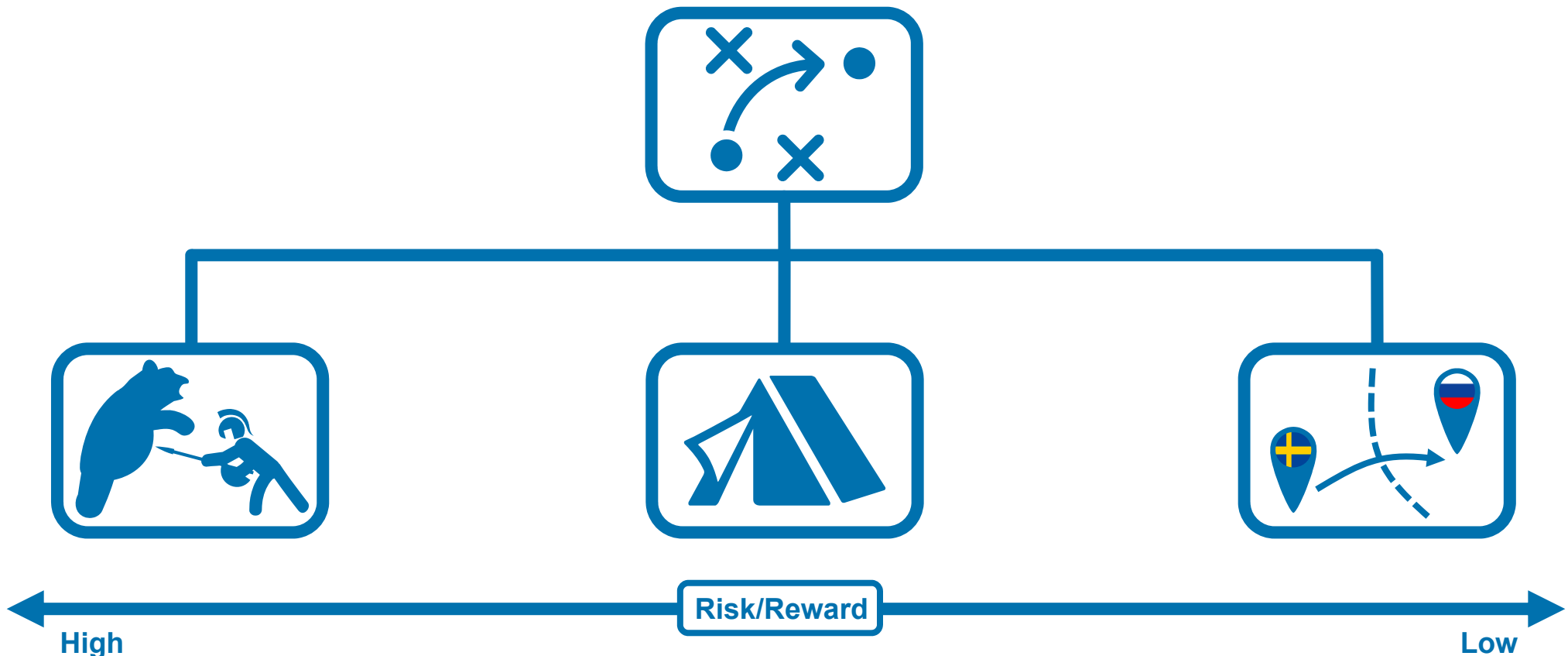
DIVERSE RANGE OF FACTORS AFFECT STRATEGIC CHOICES IN RUSSIA



GREAT OPPORTUNITIES COMBINED WITH A HIGH LEVEL OF RISK REQUIRE A SOLID STRATEGY



CHOOSE YOUR STRATEGY BASED ON YOUR RISK APPETITE AND RESOURCES



THE QUESTION IS NOT IF TO BE IN RUSSIA,
BUT HOW TO BE IN RUSSIA

FULL REPORT AVAILABLE ON WWW.BUSINESS-SWEDEN.SE

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